

## Message Text

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MILITARY ADDRESSEES ALSO FOR POLAD

E.O. 11652: GDS

TAGS: PFOR FR US

SUBJECT: ANNUAL POLICY ASSESSMENT

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THIS MESSAGE IS IN FIVE PARTS: (I) U.S. INTERESTS IN FRANCE; (II) BASIC U.S. POLICY OBJECTIVES IN FRANCE; (III) THE ADVANCEMENT OF U.S. INTERESTS IN FRANCE OVER THE PAST YEAR; (IV) FUTURE TRENDS AND PROBLEMS; AND (V) RECOMMENDATIONS FOR WASHINGTON.

PART I - U.S. INTERESTS IN FRANCE

1. SECURITY--THE SECURITY OF WESTERN EUROPE AND ITS EFFECT ON OUR RELATIONSHIP WITH THE SOVIET UNION IS OF PARAMOUNT INTEREST TO THE UNITED STATES. THE FOUNDATION OF THE SECURITY IS THE ATLANTIC ALLIANCE. IN THIS CONTEXT, FRANCE'S MILITARY ESTABLISHMENT, INCLUDING ITS STRATEGIC NUCLEAR FORCE, IS OF CENTRAL IMPORTANCE TO THE OVERALL WESTERN EFFORT IN THE DEFENSE OF EUROPE.

2. ECONOMIC--BECAUSE OF THEIR PROFOUND INTERDEPENDENCE WITH THE AMERICAN ECONOMY, THE VIABILITY AND BASIC STRENGTH OF THE ECONOMIES OF THE OTHER INDUSTRIALIZED DEMOCRACIES ARE OF MAJOR IMPORTANCE TO US. WITH A SIGNIFICANT INDUSTRIALIZED ECONOMY IN ITS OWN RIGHT, AND AS A KEY PARTICIPANT IN THE EUROPEAN COMMUNITY OF NINE, FRANCE'S ECONOMIC PERFORMANCE AND POLICIES UNAVOIDABLY AFFECT OUR OWN.

3. FOREIGN POLICY--AS A DYNAMIC LEADER WITHIN THE EC-9, AND AS A FORMER GREAT POWER THAT HAS RETAINED A CERTAIN MORAL AND INTELLECTUAL INFLUENCE IN THE WORLD, FRANCE CAN HELP OR HINDER U.S. POLICIES SIGNIFICANTLY IN THE VARIOUS GEOGRAPHIC REGIONS AND MULTILATERAL FORA IN WHICH SHE IS ACTIVE.

4. POLITICAL--WITH ONE OF THE FREE WORLD'S LARGEST COMMUNIST PARTIES, FRANCE IS IMPORTANT TO U.S. INTERESTS IN TERMS OF ITS FUTURE INTERNAL POLITICAL EVOLUTION. THE SOCIALIST-COMMUNIST COALITION IN FRANCE IS A PHENOMENON WHICH COULD BE INIMICAL TO U.S. INTERESTS. THE POSSIBILITY OF ITS COMING TO POWER IN FRANCE IS A REAL  
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ONE, AND WE MUST FACE UP TO THIS CONTINGENCY IN THE DEFINITION OF OUR POLICY OBJECTIVES AND THE WAYS TO MEET THEM.

5. IN SUMMATION, FRANCE'S IMPACT ON U.S. INTERESTS IS CONSIDERABLY GREATER THAN AN ANALYSIS OF ITS RELATIVELY DIMINISHED POWER SITUATION WOULD NORMALLY LEAD US TO EXPECT. THIS IS DUE TO FRANCE'S LEADERSHIP ROLE IN THE

EC-9, WHICH IS A GREAT WORLD POWER IN THE ECONOMIC SENSE; TO FRANCE'S IMPORTANT MILITARY AND STRATEGIC ROLE IN EUROPEAN SECURITY; TO FRANCE'S ROLE AS AN INFLUENTIAL ACTIVIST ON THE INTERNATIONAL DIPLOMATIC SCENE; AND TO THE IMPORTANCE OF FRANCE'S INTERNAL POLITICAL DEVELOPMENTS IN THE FUTURE EVOLUTION OF WESTERN DEMOCRACY. THE U.S. HAS BEEN ABLE TO DEFEND ITS OWN INTERESTS IN THE RECENT PAST WITH MINIMAL OR NO FRENCH SUPPORT AND COOPERATION. EVENTS DURING THE PAST TWELVE MONTHS, HOWEVER, HAVE DEMONSTRATED THAT U.S.-FRENCH COLLABORATION IN

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TODAY'S ENVIRONMENT CAN NOT ONLY BE SUPPORTIVE OF U.S.  
INTERESTS, BUT IN SELECTED CASES HAS BEEN VIRTUALLY  
INDISPENSABLE. WE SHOULD MAKE THIS PROMISING  
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BILATERAL RELATIONSHIP EVEN MORE CONSTRUCTIVE AND  
MUTUALLY REINFORCING. GIVEN THE EXISTING TREND IN THE  
OVERALL MILITARY BALANCE AND OUR CURRENT NEED FOR CAP-  
ABLE AND ACTIVE ALLIES, WE CANNOT AFFORD TO DO ANYTHING  
ELSE.

#### PART II - BASIC U.S. POLICY OBJECTIVES IN FRANCE

6. IN VIEW OF THE SCOPE OF U.S. INTERESTS DEFINED IN  
PART ONE ABOVE, THE EMBASY VIEWS THE FOLLOWING AS THE  
BASIC NEAR-TERM POLICY OBJECTIVES FOR THE UNITED STATES  
IN FRANCE.

A. ENGENDER BETTER UNDERSTANDING AND COOPERATION  
WITH FRANCE IN ALL POLICY AREAS, ESPECIALLY FOREIGN AND  
DEFENSE POLICIES, BY PROMOTING A BETTER CLIMATE OF RELA-  
TIONS, AVOIDING POLEMICS, APPROACHING DISAGREEMENTS IN A  
CONSTRUCTIVE FASHION, AND RESOLVING DIFFERENCES WHENEVER  
POSSIBLE IN A MUTUALLY SATISFACTORY MANNER. TOWARD THIS  
END, INTENSIFY AND BUILD UPON THE BROAD RANGE OF EXIST-  
ING SUBSTANTIVE CONSULTATIONS BETWEEN FRANCE AND THE  
UNITED STATES.

B. STRENGTHEN FRENCH COOPERATION WITHIN THE ATLAN-  
TIC ALLIANCE; SUPPORT CONSTRUCTIVE FRENCH POLICIES WITHIN  
AND TOWARDS THE EUROPEAN COMMUNITY; INCREASE  
MILITARY COOPERATION WITH US FORCES, PARTICULARLY IN THE  
AREAS OF LOGISTICS AND TRAINING; AND INCREASE SUPPORT OF  
U.S. EFFORTS IN THE MIDDLE EAST, CYPRUS, ALONG NATO'S  
SOUTHERN FLANK, AND IN THE OTHER AREAS OF MUTUAL CONCERN.

C. MAINTAIN AND EXPAND MUTUALLY ADVANTAGEOUS ECO-  
NOMIC RELATIONS WITH FRANCE. IN PARTICULAR TO

- (1) PROTECT U.S. ACCESS TO FRENCH MARKETS;

(2) RESOLVE SATISFACTORILY OUTSTANDING DIFFERENCES ON TRADE POLICY QUESTIONS;

(3) PROMOTE COOPERATIVE ACTIONS AIMED TOWARD HARMONIZING POLICIES TO COMBAT INFLATION AND RECESSION, AS PLEDGED AT THE RAMBOUILLET SUMMIT, AND  
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COOPERATE IN IMPLEMENTING THE MONETARY ARRANGEMENTS PROVIDED FOR BY THE REVISED ARTICLES OF THE IMF;  
AND

(4) ENCOURAGE COOPERATION IN SUCH MULTILATERAL ECONOMIC NEGOTIATIONS AS THE CIEC AND THE MULTILATERAL TRADE NEGOTIATIONS IN GENEVA.

D. SEEK FRENCH AGREEMENT AND COOPERATION WITH US INITIATIVES TO IMPROVE THE INTERNATIONAL ECONOMIC ASSISTANCE FACILITIES AVAILABLE TO DEVELOPING COUNTRIES.

E. EXPAND COOPERATION IN ESTABLISHING EFFECTIVE SAFEGUARDS AND RESTRAINT IN MATTERS OF NUCLEAR PROLIFERATION.

F. CONTINUE TO ENCOURAGE CONSTRUCTIVE FRENCH CONTRIBUTIONS TO THE EAST-WEST PROCESS, WITH RESPECT TO BOTH FRENCH CONTRIBUTIONS TO DETENTE AND TO FRENCH EFFORTS TO RESIST UNCONSTRUCTIVE SOVIET INITIATIVES IN EUROPE, THE MEDITERRANEAN AND AFRICA. CONTINUE TO DRAW THE FRENCH INTO DISARMAMENT DISCUSSIONS AS MUCH AS POSSIBLE.

G. IN THE CONTEXT OF THE FRENCH DOMESTIC POLITICAL EVOLUTION, DEVELOP A DEEPER UNDERSTANDING OF THE UNION OF THE LEFT THROUGH BROADENED CONTACTS WITH THE SOCIALIST PARTY AT ALL LEVELS, AND THROUGH SELECTIVE CONTACTS WITH THE PCF BY MIDDLE- AND LOWER-LEVEL MISSION OFFICERS. CONTINUE TO ARTICULATE THE VIEW THAT COMMUNIST PARTICIPATION IN ANY LEFT GOVERNMENT WOULD HAVE SENTIMENTAL EFFECTS ON FRANCE'S ROLE IN THE ATLANTIC ALLIANCE. DEVELOP A CONCEPT FOR WORKING WITH A POSSIBLE LEFT GOVERNMENT SO AS TO CONTRIBUTE TO THE CAPABILITY OF THE SOCIALISTS TO DOMINATE AND EVEN EXCLUDE THE COMMUNISTS.

H. EXPAND AND IMPROVE MUTUALLY ADVANTAGEOUS BILATERAL COOPERATION IN SCIENCE AND TECHNOLOGY.

I. EXPAND CULTURAL, EDUCATIONAL AND SOCIAL EX-

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CHANGES WITH FRANCE IN FIELDS OF MUTUAL INTEREST AND  
MUTUAL ADVANTAGE.

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J. FOLLOW MORE CLOSELY REGIONAL DEVELOPMENTS AND  
THEIR RELATIONSHIP TO FRANCE'S NATIONAL LIFE, DRAWING ON  
RESOURCES IN PARIS AND AT CONSTITUENT POSTS.

K. ON A PSYCHOLOGICAL LEVEL, COUNTER THE COMMUNIST  
AND LEFTIST OFFENSIVE BASED ON THE THEME "A CRISIS OF  
CAPITALISM" WITH (1) A DEFENSE OF THE LIBERAL SOCIETY'S  
ABILITY TO COPE WITH MODERN DISLOCATIONS, AND (2) AN  
EXPOSURE OF THE "CRISIS OF MARXISM."

PART III - THE ADVANCEMENT OF U.S. INTERESTS  
IN FRANCE OVER THE PAST YEAR

7. UNITED STATES INTERESTS HAVE FARED RELATIVELY WELL  
IN GISCARD D'ESTAING'S FRANCE. LET'S LOOK AT THE BAL-  
ANCE SHEET COVERING THE PAST TWELVE TO EIGHTEEN MONTHS.  
ON THE CREDIT SIDE, WE LIST THE FOLLOWING:

A. IMPROVED COMMUNICATIONS--BILATERAL COMMUNICA-  
TIONS ARE WORKING WELL AT ALL LEVELS. THEY REFLECT A  
CLEAR WILL ON BOTH SIDES TO AVOID PUBLIC POLEMICS, AS  
WELL AS AN UNDERSTANDING THAT MUTUAL COMPREHENSION AND  
REGULAR COORDINATION BECAME ESTABLISHED POLICY AT MARTI-  
NIQUE. THE SECRETARY'S REGULAR BILATERAL EXCHANGES WITH  
FOREIGN MINISTER SAUVAGNARGUES HAVE GIVEN THE FRENCH A  
FEELING THEY ARE WELL INFORMED AS FAR AS U.S. POLICIES  
ARE CONCERNED, AND HAVE STIMULATED AN ATTITUDE OF RECI-  
PROCITY AT ALL LEVELS.

B. IBERIAN PENINSULA--THE GOF PLAYED A CRUCIAL  
ROLE IN PREVENTING THE EC-9 FROM FINANCING VASCO GON-  
CALVEZ, AND THEN IN RALLYING EC-9 SUPPORT FOR AZEVEDO  
AND THE ANTUNES GROUP. SOCIALIST LEADER MITTERRAND'S  
UNAMBIGUOUS SUPPORT FOR MARIO SOARES WAS ALSO SIGNIFI-  
CANT IN THE TOTAL FRENCH EFFORT. GISCARD'S PERSONAL  
SUPPORT FOR JUAN CARLOS IN SPAIN IS CONTRIBUTING TO THE  
CAUSE OF MODERATE REFORM AND THE PROSPECTS FOR DEMOCRATI-  
ZATION. GOF COORDINATION WITH THE USG ON THIS AREA WAS  
GENERALLY VERY GOOD.

C. MONETARY REFORM--GOF-USG BILATERAL MONETARY  
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DISCUSSIONS DURING 1975, AIMED AT ACHIEVING MONETARY REFORM IN A MULTILATERAL CONTEXT, ULTIMATELY RESULTED IN A JOINT PROPOSAL WHICH WAS ACCEPTED BY THE IMF AT THE JAMAICA MEETING IN JANUARY 1976.

D. RAMBOUILLET SUMMIT--GISCARD'S INITIATIVE FOR AN ECONOMIC SUMMIT HAD THE MERITS (1) OF BEING WELL PREPARED THROUGH INTENSIVE USG-GOF BILATERAL DISCUSSIONS, PARTICULARLY IN THE MONETARY AREA; (2) OF DEFUSING ACCORDINGLY THE US-FRENCH MONETARY CONFRONTATION; (3) OF DEMONSTRATING COHESION AMONG THE INDUSTRIALIZED DEMOCRACIES AT A TIME OF ACUTE ECONOMIC DISLOCATION; AND (4) OF RECOGNIZING THE IMPORTANCE OF JAPAN'S PARTICIPATION WITH THE US AND EUROPE IN A "TRI-REGIONAL" RELATIONSHIP PROPOSED BY THE SECRETARY BUT REJECTED BY THE FRENCH IN 1973.

E. NORTH-SOUTH DIALOGUE--WE ARE STILL A LONG WAY FROM THE BOTTOM LINE ON THIS EXERCISE, AND GISCARD'S FAILURE TO CONSULT WITH US BEFORE HE WENT PUBLIC WAS DISCONCERTING; BUT THE VERY EXISTENCE OF THIS NEW MECHANISM APPEARS TO BE HELPING THE MODERATES IN OPEC, AND WE HAVE A NEW, LESS VOLATILE FORUM WITHIN WHICH WE CAN TREAT WITH THE NON-OIL LDC'S AWAY FROM THE UNREAL ATMOSPHERE OF THE UNGA.

F. NON-PROLIFERATION---THE GOF HAS SHOWN A POSITIVE AND HELPFUL ATTITUDE TOWARD THE NEGOTIATION OF NUCLEAR SUPPLIERS ARRANGEMENTS.

G. ANGOLA--THE FRENCH ANALYSIS OF THE STRATEGIC PROBLEM IN ANGOLA HAS COINCIDED ALMOST COMPLETELY WITH OURS, AND THEIR DIPLOMATIC EFFORTS HAVE BEEN HIGHLY SUPPORTIVE OF OURS.

H. MIDDLE EAST--THERE HAS BEEN A CHANGE FOR THE BETTER IN FRENCH MIDDLE EAST POLICY UNDER SAUVAGNARGUES. WHILE CONTINUING TO ENHANCE ITS OWN IDENTITY IN THE REGION, FRANCE NOW HAS CONCERN FOR U.S. RESPONSIBILITIES

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AS THE NEGOTATING LINK BETWEEN ARABS AND ISRAELIS.  
FRENCH POLICY IS THEREFORE OFTEN COMPLEMENTARY TO OURS.  
THE FRENCH EXPLOITATION OF THEIR GOOD ARAB CREDENTIALS

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TO PREACH ISRAEL'S RIGHT TO EXIST IN ARAB CAPITALS, AS WELL AS THEIR PERSISTENT IDENTIFICATION OF THE PALESTINIAN PROBLEM AS BEING OF CENTRAL IMPORTANCE, HAVE NOT BEEN UNHELPFUL TO U.S. EFFORTS.

I. CYPRUS--DESPITE A DISCERNIBLE TILT TOWARD GREECE, THE GOF HAS WORKED HARD, BOTH BILATERALLY AND THROUGH THE EC-9, TO KEEP THE TWO CYPRIOT COMMUNITIES AT THE NEGOTIATING TABLE. THE FRENCH HAVE BEEN OPEN AND COOPERATIVE IN COORDINATING WITH US ON THIS SUBJECT. THEIR SPECIAL RELATIONSHIP TO KARAMANLIS IN GREECE HAS BEEN HELPFUL TO OUR INTERESTS.

J. FRANCE AND NATO--FRANCE'S RELATIONSHIP TO NATO CONTINUES TO IMPROVE. FRANCE'S AGREEMENT TO A NATO STUDY OF INTEROPERABILITY IS ONLY A TIMID STEP FORWARD ON THE ROAD TO STANDARDIZATION, BUT IT IS NEVERTHELESS SIGNIFICANT. SIMILARLY, FRANCE'S AGREEMENT TO DISCUSS ARMS STANDARDIZATION WITH THE OTHER EUROPEAN MEMBERS OF NATO IS FLAWED BY HER INSISTENCE ON DOING THIS OUTSIDE THE NATO FRAMEWORK, BUT THE GOF'S BASIC ATTITUDE APPEARS POSITIVE. CONTACTS BETWEEN FRENCH AND NATO MILITARY COMMANDERS CONTINUE TO BE CONSTRUCTIVE.

K. INDOCHINA--ALTHOUGH THE GOF ATTEMPT AT A POLITICAL SOLUTION WAS COMPLETELY INEFFECTIVE, GISCARD KEPT THE GOF ON A COURSE WHICH MAINTAINED CONTACTS WITH THE US AND AVOIDED CONFLICTS.

8. ON THE DEBIT SIDE, WE LIST THE FOLLOWING:

A. IEA - THE FRENCH CONTINUE TO REMAIN OUTSIDE THE INTERNATIONAL ENERGY AGENCY, THEREBY DIMINISHING NO SOLIDARITY OF THE INDUSTRIALIZED DEMOCRACIES AS WE ENTER THE TESTING PERIOD OF PRODUCER-CONSUMER RELATIONS.

B. MBFR--THE FRENCH CONTINUE TO BOYCOTT THE FORCE REDUCTION NEGOTIATIONS FOR CENTRAL EUROPE, BELIEVING THAT FREE EUROPE WILL BE SADDLED WITH UNACCEPTABLE SOVIET INTERFERENCE IN THE SIZE, QUALITY AND DEPLOYMENT  
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OF ITS MILITARY FORCES AS A RESULT.

C. MTN--THE FRENCH CONTINUE TO BE DIFFICULT IN THE MULTILATERAL TRADE NEGOTIATIONS, ESPECIALLY IN THE AGRICULTURAL AREA, BUT THEY DID MAKE A COMMITMENT AT RAM-

BOUILLET TO COMPLETE THE EXERCISE BEFORE THE END OF 1977.

D. NATO---DESPITE THE STRENGTHENING OF FRENCH-NATO TIES LISTED ON THE CREDIT SIDE OF THE LEDGER, CONTINUED FRENCH ABSENCE FROM THE INTEGRATED COMMAND MUST BE CARRIED AS AN IMPORTANT NEGATIVE FACTOR.

9. AN ANALYSIS OF WHY THE U.S. POSITION IN FRANCE HAS IMPROVED WILL HELP US IN FORMULATING POLICIES TO MEET OUR OBJECTIVES IN THE COMING YEAR.

10. A NEW FRENCH OPTIC--THE FUNDAMENTAL CONCEPTS UNDERLYING FRENCH FOREIGN POLICY FORMULATION HAVE CHANGED MARKEDLY UNDER GISCARD D'ESTAING IN THE FOLLOWING WAYS:

A. THE END OF "GRANDEUR"--GISCARD ACCEPTS THE REALITY OF FRANCE'S MIDDLE POWER STATUS. IN PRACTICAL TERMS, THIS MEANS THAT FRENCH FOREIGN POLICY OPTIONS ARE NO LONGER CONCEIVED SOLELY AS A FUNCTION OF NATIONAL INDEPENDENCE--A CONCEPT THAT DEGAULLE CALLED "GRANDEUR." ALTHOUGH THIS REMAINS A POWERFUL RESIDUAL ELEMENT, THE ELEMENT OF COOPERATION WITH OTHER SOVEREIGNTIES AND THE DEMONSTRATION OF INTELLECTUAL EXCELLENCE HAVE REPLACED GRANDEUR AS THE DRIVING FORCE IN THE DEFENSE OF FRENCH INTERESTS. GISCARD CALLS THIS "RADIANCE" (RAYONNEMENT).

B. A COMMITMENT TO EUROPE--WHILE FRANCE HAS ACCEPTED THE REALITY OF MIDDLE POWER STATUS, GISCARD VIEWS EUROPE AS HAVING GREAT POWER POTENTIAL. IN GISCARD'S CONCEPT, NOT ONLY FRANCE AND ITS EUROPEAN PARTNERS BUT WESTERN CIVILIZATION WILL BENEFIT FROM--INDEED WILL VIRTUALLY NEED FOR ITS LONG-TERM SURVIVAL--THE REALIZATION OF THIS POTENTIAL. GISCARD IS THEREFORE SEEKING TO MOVE FRANCE TOWARD PARTICIPATION IN A STRONGER EUROPEAN COMMUNITY.

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C. THIRD WORLD EXISTS--UNDER DEGAULLE, THE SOUTH-  
ERN HALF OF THE WORLD WAS VIEWED ESSENTIALLY AS A PLAY-  
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THING OF FRENCH GREATNESS. UNDER GISCARD, THE WEALTH  
DISPARITY BETWEEN THE LDC'S AND THE INDUSTRIALIZED COUN-  
TRIES IS SEEN AS THE SINGLE MOST IMPORTANT POTENTIAL  
THREAT TO WORLD ORDER AND STABILITY.

D. SOUTHERN EUROPE--REVOLUTION IN PORTUGAL, TRANSITION IN SPAIN, INSTABILITY IN ITALY, AND CONFLICT BETWEEN GREECE AND TURKEY HAVE HAD A SOBERING EFFECT ON FRANCE'S OUTLOOK. IF NOTHING ELSE HAD HAPPENED, THE INCREASING FRAGILITY OF THE MEDITERRANEAN EQUILIBRIUM WOULD HAVE BEEN SUFFICIENT TO MOVE FRANCE TOWARD ITS PRESENT POSTURE OF GROWING SOLIDARITY WITH THE INDUSTRIALIZED DEMOCRACIES.

11. ADJUSTMENTS IN U.S. POLICY--IN RETROSPECT, WE NOTE SOME RELEVANT DEVELOPMENTS IN U.S. POLICY AND TACTICS WHICH HAVE CONTRIBUTED TO OUR IMPROVED SITUATION IN FRANCE.

A. U.S. LEADERSHIP--OVER THE YEARS, FRENCH NATIONALISTS HAVE UNFORTUNATELY EQUATED THE CONCEPT OF U.S. LEADERSHIP WITH U.S. DOMINATION. IN THIS CONTEXT, IT HAS BEEN HELPFUL TO OUR INTERESTS IN FRANCE THAT WASHINGTON HAS LATELY BEEN TALKING LESS ABOUT U.S. LEADERSHIP WHILE CONTINUING TO ASSERT IT. IT WAS GISCARD WHO TOOK THE LEAD IN CALLING FOR THE RAMBOUILLET SUMMIT AND THE NORTH-SOUTH DIALOGUE, AND IN WELCOMING LDC CLAIMS FOR A NEW WORLD ECONOMIC ORDER. BUT IN ALL OF THESE ONGOING DEBATES, AMERICAN PROPOSALS AS ENUNCIATED BY THE PRESIDENT, THE SECRETARY OF STATE AND THE SECRETARY OF THE TREASURY IMMEDIATELY BECAME THE PRINCIPAL POINTS OF DEPARTURE. WE SEE CERTAIN PSYCHOLOGICAL ADVANTAGES, THEREFORE, IN HAVING THE FRENCH AND THEIR EUROPEAN PARTNERS OCCASIONALLY ACTING AS INTELLECTUAL LEADERS IN THE KNOWLEDGE THAT THE DYNAMICS OF POWER WILL INEVITABLY PROPEL THE U.S. TO THE FOREFRONT AT THE APPROPRIATE MOMENT. INDEED, THE EXPERIENCE OF RAMBOUILLET AND THE CIEC TO DATE INDICATE THAT THE U.S. MAY EVEN END UP IN A STRONGER POSITION AS A RESULT OF THIS TWO-TIER PROCEDURE.

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B. THE U.S. AND THE THIRD WORLD--THE FRENCH HAVE WELCOMED THE SUBSTANTIAL INCREASE IN THE U.S. ATTENTION TO THE NORTH-SOUTH PROBLEM.

C. BETTER COMMUNICATIONS--THE IMPROVED STATE OF COMMUNICATIONS LISTED IN PARAGRAPH 7-A HAS CONTRIBUTED TO IMPROVEMENTS IN SUBSTANTIVE AREAS AS WELL.

12. FRANCE'S PERCEPTION OF THE U.S.--THE GOF CONTINUES TO VIEW U.S. FOREIGN POLICY AS BEING IN A STATE OF DRIFT UNTIL AFTER THE 1976 PRESIDENTIAL ELECTIONS. MORE IM-

PORTANT THAN THIS TEMPORARY PHENOMENON IS THE GISCARD PERCEPTION OF THE RELATIVE DECLINE OF AMERICAN INFLUENCE, AUTHORITY AND LEADERSHIP. THIS PERCEPTION HAS HAD THE NOT UNHEALTHY IMPACT OF STIMULATING AN ENHANCED SENSE OF EUROPEAN RESPONSIBILITY, ESPECIALLY ABOUT PROBLEMS CLOSE TO HOME, SUCH AS THE IBERIAN PENINSULA, THE MEDITERRANEAN BASIN, AND THE FUTURE OF EUROPEAN INTEGRATION ITSELF.

PART IV - FUTURE TRENDS AND PROBLEMS

13. ECONOMIC RELATIONS

A. TRADE AND INVESTMENT INTERESTS--EXPECTED CONTINUING UNCERTAINTY ABOUT CONCORDE LANDING RIGHTS IS LIKELY TO TRIGGER A SERIOUS NATIONALISTIC REACTION LED BY ORGANIZED FRENCH LABOR. WE MAY WITNESS INTENSIVE OPPOSITION TO SALES OF HIGH TECHNOLOGY AMERICAN EQUIPMENT AS WELL AS A GROWING ATMOSPHERE OF ANIMOSITY TOWARD AMERICAN FIRMS ESTABLISHED IN FRANCE. OUR INITIAL RESPONSE TO THIS PROBLEM SHOULD SEEK TO FOCUS PUBLIC OPINION ON THE ROLE OF U.S. INVESTMENT IN SUPPORT OF FRANCE'S REGIONAL DEVELOPMENT AND JOB CREATION, ON THE CONSTRUCTIVE NATURE OF US-FRENCH COOPERATION IN THE ATOMIC ENERGY AND COMPUTER AREAS, AND ON THE SUCCESS OF FRENCH ENTERPRISE IN THE U.S. AND ITS POTENTIAL FOR FURTHER DEVELOPMENT. WE MUST ALSO CONTINUE A VIGOROUS PROGRAM OF TRADE PROMOTION AIMED AT EXPANDING OUR SHARE OF WHAT SHOULD BE AN IMPROVING FRENCH MARKET FOR FARM PROD-

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INVESTMENT, AND WILL SEEK TO PERSUADE THE GOF TO MAINTAIN THE OPEN ATTITUDES WHICH HAVE PREVAILED THUS FAR IN THE 1970'S.

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#### 14. THE ALLIANCE

WE EXPECT THAT FRANCE WILL CONTINUE TO EXPAND ITS OPTIONS FOR COOPERATION WITH NATO'S MILITARY STRUCTURE. THIS IS BEST LEFT IN THE MILITARY CHANNELS THAT HAVE ALREADY PROVEN SO SUCCESSFUL. DOMESTIC POLITICAL RESTRAINTS WILL LIMIT HOW FAR AND HOW FAST GISCARD CAN MOVE. WE SHOULD BE PREPARED TO RECOGNIZE THIS LIMITA-

TION, AND INSURE THAT THE CONFIDENTIALITY OF FRANCE'S CONTINGENCY PLANNING WITH NATO IS PROTECTED. ABOVE ALL, WE SHOULD LET GISCARD SET THE PACE AS WE SEEK TO BROADEN THIS TYPE OF COOPERATION. AT THE SAME TIME, WE MUST REALIZE THAT GISCARD'S WILLINGNESS TO BUILD NEW OPTIONS FOR FRANCE'S POSSIBLE MILITARY COOPERATION WITH NATO DOES NOT SIGNAL FRANCE'S RETURN TO NATO'S INTEGRATED MILITARY: FRANCE WILL JEALOUSLY HUSBAND ITS INDEPENDENCE OF DECISION AND ACTION. STILL LESS DOES IT MEAN THAT FRANCE NOW ACCEPTS NATO'S STRATEGY OF FLEXIBLE RESPONSE AS DESCRIBED IN MC 14/3. GISCARD IS BUILDING MORE FLEXIBILITY INTO THE FRENCH FORCE STRUCTURE, BUT FOR PURPOSES LARGELY OUTSIDE NATO'S CENTRAL REGION. GISCARD SEEMS TO SHARE THE SKEPTICISM OF HIS PREDECESSORS THAT EUROPE CAN BE DEFENDED BY A SUSTAINED CONVENTIONAL DEFENSE WITHOUT

AT THE SAME TIME UNDERGOING UNACCEPTABLE DEVASTATION. IN TIME FRANCE MAY ACCEPT THE WISDOM OF MC 14/3. FRENCH CONTINGENCY PLANNING WITH CENTAG WILL REINFORCE THIS POSSIBILITY. BUT THIS IS AN EVOLUTION FOR THE FUTURE, NOT THE PRESENT. CONSEQUENTLY, IT IS MUCH TOO EARLY TO PREDICATE NATO'S MILITARY PLANNING ON THE AVAILABILITY OF FRENCH FORCES AND TERRITORY. THEY REMAIN AN IMPORTANT "BONUS" THAT MAY--OR MAY NOT--PLAY A ROLE IN A CENTRAL EUROPEAN CONFLICT ACCORDING TO NATO GUIDELINES.

15. EUROPE: SUPPORT FOR A STRONG EUROPEAN COMMUNITY

A. GISCARD IS GIVING EUROPE A NEW STYLE OF FRENCH LEADERSHIP TOWARD A CLOSER EUROPEAN CONFEDERATION. PREVIOUSLY A ROADBLOCK TO SUCH DEVELOPMENT, FRANCE UNDER GISCARD IS BECOMING SOMETHING OF AN ACCELERATOR. WHILE

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1976 IS NO MORE LIKELY TO PRESENT CONDITIONS FOR SIGNIFICANT MOVEMENT IN THIS DIRECTION THAN DID THE FIRST HALF OF THE DECADE, GISCARD WILL BE SATISFIED TO PUSH FOR PRAGMATIC, MODERATE AND CASE-BY-CASE STEPS TOWARD GREATER EUROPEAN COOPERATION. THREE FACTORS INFORM HIS POLICY. FIRST, GISCARD RECOGNIZES THAT THROUGH A MORE UNITED EUROPE--WITH FRANCE AT ITS HEAD--HE CAN AUGMENT FRANCE'S IMPORTANCE IN THE INTERNATIONAL SCENE BY MARSHALLING THE EC-EIGHT IN SUPPORT OF FRANCE'S NATIONAL OBJECTIVES. SECONDLY, GISCARD, LIKE HIS PREDECESSORS, SEES A UNITED EUROPE AS A WAY TO REASSURE LATENT FRENCH FEARS OF A DOMINANT GERMANY BY EMBRACING THE FEDERAL REPUBLIC IN A EUROPEAN VOCATION. FINALLY, THERE IS A STREAK OF GENUINE IDEALISM IN GISCARD THAT ATTRACTS HIM TO EUROPEAN UNION AS THE MOST APPROPRIATE FRAMEWORK FOR COOPERATION BETWEEN THE NATIONS OF EUROPE IN AN INTERDEPENDENT WORLD.



B. FROM OUR POINT OF VIEW, THE MOST IMPORTANT INNOVATION GISCARD BRINGS TO EUROPEAN POLICY IS THE ABANDONMENT OF THE GAULLIST EFFORT TO BUILD EUROPE THROUGH CONFRONTATION WITH THE UNITED STATES. DE GAULLE AND POMPIDOU FAILED PRECISELY BECAUSE THE OTHERS IN EUROPE WERE NOT PREPARED TO PURCHASE EUROPEAN UNION AT THE COST OF RUPTURING THE ATLANTIC RELATIONSHIP. GISCARD WILL NOT MAKE THE SAME MISTAKE. AS A GOAL OF U.S.

POLICY, THE VISION OF A UNITED EUROPE REMAINS AS VITAL TODAY AS IN THE PAST. FRANK AND TIMELY CONSULTATIONS REMAIN PERHAPS THE KEY ELEMENT IN GUIDING FRANCE'S LEADERSHIP OF EUROPE TOWARD THOSE PURPOSES THAT ARE CONSISTENT WITH OUR BROADER INTERESTS. OUR RECORD--AND THEIRS--ON CONSULTATION HAS IMPROVED SINCE 1973. IT MUST BECOME EVEN BETTER.

16. EAST-WEST RELATIONS--THE TIME OF A "SPECIAL" FRENCH-SOVIET RELATIONSHIP IS PAST, TERMINATED ESSENTIALLY BY GISCARD'S POLICY OF IMPROVING RELATIONS WITH THE EC-9, NATO AND THE UNITED STATES. THIS HAPPENED DESPITE BREZHNEV'S WARM RECEPTION AT RAMBOUILLET, AND DESPITE GISCARD'S PROMINENT SUPPORT FOR CSCE. THE ISSUE

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CAME TO A HEAD DURING GISCARD'S VISIT TO MOSCOW, WHERE

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THE ATMOSPHERE WAS TEPID AND THE SOVIETS MADE IT CLEAR  
THEY WERE NOT PREPARED TO NEGOTIATE A BILATERAL IMPLI-  
MENTATION TEXT WITH FRANCE. SINCE THEN, THE GOF HAS  
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MADE IT CLEAR THAT IT WILL NOT BUY MOSCOW'S FAVORS AT  
ANY PRICE, MOST NOTABLY IN GISCARD'S PUBLIC INSISTENCE  
THAT SOVIET HOPES FOR "MILITARY" DETENTE ARE INTERDEPEN-  
DENT WITH "POLITICAL" DETENTE; BUT ALSO IN MINOR GES-  
TURES SUCH AS THE ELYSEE'S RECENT RECEPTION OF DISSIDENT  
SOVIET MATHEMATICIAN PLIOUCHTCH AS A POLITICAL REFUGEE  
IN FRANCE. NEVERTHELESS, THE GOF WILL CONTINUE TO MAIN-  
TAIN AN INDEPENDENT RELATIONSHIP WITH THE USSR AND TO  
CONTRIBUTE IN CONSTRUCTIVE WAYS TO DETENTE. FRANCE WILL  
ALSO CONTINUE TO HAVE A SPECIAL VESTED INTEREST IN  
DEVELOPING ITS ECONOMIC RELATIONS WITH THE USSR, WHICH  
ARE GROWING STEADILY. IN GENERAL, THE EVOLUTION OF  
FRANCO-SOVIET RELATIONS WOULD INDICATE GREATER OPPORTU-  
NITIES FOR CLOSER FRANCO-AMERICAN CONSULTATIONS ON EAST-  
WEST PROBLEMS AS WELL AS MORE CONCERTED POLICIES IN THIS  
AREA.

17. ARMS CONTROL AND DISARMAMENT--FRENCH OBJECTIONS TO MULTILATERAL ARMS CONTROL REGIMES ARE WELL KNOWN AND UNLIKELY TO CHANGE IN THE NEAR FUTURE. AS NOW ORGANIZED, CCD, NPT, MBFR ARE ALL POLITICALLY UNACCEPTABLE TO THE GOF. BUT GISCARD IS PERSONALLY AND GENUINELY PREOCCUPIED BY THE DANGERS POSED BY ARMAMENT PROLIFERATION, PARTICULARLY IN THE NUCLEAR FIELD. IF WE CAN DEMONSTRATE, HOWEVER, THAT PRACTICAL ARMS CONTROL OBJECTIVES--SERVING FRENCH AS WELL AS US INTERESTS--CAN BE REALIZED THROUGH COOPERATION, WE WILL FIND GISCARD MORE RECEPTIVE THAN HIS PREDECESSORS. THAT IS THE LESSON OF THE NUCLEAR SUPPLIERS CONFERENCE. BUT WHERE OUR EFFORTS SEEM INEFFECTIVE (CCD) OR HARMFUL (MBFR) TO THE FRENCH, THEY WILL MAINTAIN THEIR DISTANCE. THIS ARGUES FOR A MORE ACTIVE BILATERAL DIALOGUE WITH THE FRENCH ON ARMS CONTROL ISSUES. DR. IKLE'S VISIT TO PARIS WAS A STEP IN THE RIGHT DIRECTION. THE GOF WAS PLEASED BY THE EXCELLENT FRANCO-AMERICAN COOPERATION DURING THE RECENT UN SESSION ON ARMS CONTROL AND DISARMAMENT. WE SHOULD SEEK TO BUILD ON THESE EXAMPLES.

18. NUCLEAR PROLIFERATION--THE WORK OF THE LONDON NUCLEAR SUPPLIERS MEETINGS DURING THE PAST YEAR DEMONSTRATED A SIGNIFICANT IMPROVEMENT IN THE GOF POSTURE

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TOWARD COOPERATION ON NUCLEAR PROLIFERATION ISSUES. WHILE HER ACTIONS ARE NOT KNOWN TO THE PUBLIC, AND WHILE FRANCE WAS NOT THE MOST AGGRESSIVE PARTICIPANT AT LONDON, THE GOF CONTRIBUTIONS WERE CONSTRUCTIVE AND HELPFUL, AND PERMITTED THE PROGRESS ACHIEVED TO DATE. GISCARD HAS OPENLY EXPRESSED HIS DESIRE TO LIMIT NUCLEAR PROLIFERATION, AND HAS PLEDGED HIS GOVERNMENT'S SUPPORT FOR INTERNATIONAL PROGRESS IN THIS AREA. WHILE FRANCE CONTINUES TO REFUSE ADHERENCE TO NPT, SHE HAS IN ESSENCE DEMONSTRATED THE WILL TO BEHAVE AS AN NPT SIGNATORY AND FAITHFULLY SUPPORT THE LONDON SUPPLIERS GUIDELINES. THIS IS A HIGHLY FAVORABLE TREND THAT RUNS AGAINST TREMENDOUS PRESSURE FROM THOSE COMMERCIAL INTERESTS SEEKING TO TAKE FULL ADVANTAGE OF FRENCH INDUSTRIAL EXPERTISE TO INCREASE FOREIGN EXCHANGE EARNINGS. GOF EFFORTS IN THIS FIELD DESERVE OUR ENCOURAGEMENT AND SUPPORT.

19. DEFENSE: IMPROVING FRANCE'S POSTURE

A. FRANCE'S DEFENSE POLICY WILL CONTINUE TO BE DOMINATED BY FOUR INTERRELATED FACTORS: FRENCH RELATIONS WITH NATO (TREATED IN PARAGRAPH 9 ABOVE); PERCEPTIONS OF THREATS TO FRENCH SECURITY, AND THE STRATEGY

AND FORCE POSTURE NEEDED TO MEET THOSE THREATS; THE  
BUDGET; AND PERSONNEL ISSUES WITHIN THE ARMED FORCES.

B . THREAT AND FORCE POSTURE--WHILE NOT MINIMIZING  
THE ENORMOUS MILITARY CAPABILITIES THAT THE WARSAW PACT  
COULD USE AGAINST EUROPE, INCLUDING FRANCE, GISCARD  
HAS DIVERTED HIS MAJOR ATTENTION TO A VAGUE PERCEPTION  
OF "THREATS FROM THE SOUTH." WHILE NOT BEING SPECIFIC,  
HE SEEMS TO FEAR THAT DRIFTS TO THE LEFT IN ITALY AND  
SPAIN COULD POSE THREATS TO FRANCE'S SOUTHEASTERN AND  
SOUTHWESTERN FRONTIERS. THE ATMOSPHERE OF INSTABILITY

ALONG THE SOUTHERN SHORE OF THE MEDITERRANEAN AND--EVEN  
MORE--THE UNCERTAIN SECURITY SITUATION IN THE EASTERN  
MEDITERRANEAN ARE PERCEIVED BY GISCARD AS POTENTIAL  
THREATS TO FRENCH SECURITY. CONSEQUENTLY, HE HAS UNDER-  
TAKEN A REORGANIZATION OF FRENCH FORCES THAT WILL MAKE

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THEM MORE MOBILE, MORE RAPIDLY RESPONSIVE, AND THAT WILL  
GIVE THEM A PHYSICAL ORIENTATION MUCH MORE TOWARD THE  
MEDITERRANEAN BASIN. TO THE EXTENT THAT FRENCH AND U.S.

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INTERESTS COINCIDE IN THE AREA, THIS NEW ORIENTATION OF  
FRENCH MILITARY STRENGTH CAN AUGMENT THE WEST'S SECURITY  
POSTURE IN THAT AREA. IT MAY ALSO OFFER NEW OPPORTUNI-  
TIES FOR CLOSER BILATERAL MILITARY COOPERATION THERE.

C. THE BUDGET - DESPITE GOF RHETORIC TO THE CON-  
TRARY, THE DEFENSE BUDGET REMAINS A MAJOR PREOCCUPATION  
OF THE FRENCH, SO MUCH SO THAT THEY CAN ONLY TACKLE IT  
ON A YEAR-TO-YEAR BASIS RATHER THAN THE FORMER FIVE-YEAR  
PLANNING CYCLE. NO ONE REALLY BELIEVES THAT ANTICIPATED  
BUDGETS WILL PERMIT THE GOF TO BUY THE NEW EQUIPMENT  
REQUIRED BY THE PLANNED FORCE POSTURE, IMPLEMENT THE  
COSTLY BUT NEEDED IMPROVEMENTS IN CONDITIONS OF MILITARY  
SERVICE, MOVE AHEAD WITH PLANNED STRATEGIC FORCES, AND  
MAINTAIN OVER 500,000 MEN UNDER ARMS. OUR GUESS IS THAT  
THE SIZE OF THE ARMED FORCES WILL BE GRADUALLY REDUCED  
AS ONE ANSWER TO THIS PROBLEM. STANDARDIZATION AND  
INTEROPERABILITY ARE AN ATTRACTIVE OPTION TO THE FRENCH  
FROM THE BUDGETARY POINT OF VIEW, BUT POSE POLITICAL  
DIFFICULTIES.

D. ISSUES WITHIN THE ARMED FORCES--GISCARD HAS  
MADE A SERIOUS EFFORT TO HEAD OFF POPULAR UNREST IN THE

ARMY BY INSTITUTING LONG OVERDUE REFORMS. BUT MUCH MORE REMAINS TO BE DONE, INCLUDING A REEXAMINATION OF TODAY'S CONCEPT OF A CONSCRIPT ARMY.

E. MEANWHILE, FRANCO-AMERICAN COOPERATION BETWEEN ARMED FORCES CONTINUES TO INCREASE AT ALL LEVELS AND IN ALL AREAS. THIS IS A FAVORABLE DEVELOPMENT WHICH WE SHOULD CONTINUE TO ENCOURAGE.

20. SOUTHERN EUROPE AND THE MEDITERRANEAN--WE SEE A CONTINUING TREND TOWARD GREATER GOF INVOLVEMENT IN THIS AREA. ACTUAL AND POTENTIAL INSTABILITY IN IBERIA, ITALY, GREECE, TURKEY AND YUGOSLAVIA POSE CRITICAL PROBLEMS FOR FRENCH AND WESTERN SECURITY AS A WHOLE. FRANCE'S RECENT DECISION TO MOVE TWO AIRCRAFT CARRIERS TO THE MEDITERRANEAN HAS A DIRECT RELATIONSHIP TO THIS PERCEPTION. IN THE DIPLOMATIC AND POLITICAL SECTORS, GISCARD HAS INCREASED HIS ACTIVISM BY SEEKING TO BRING  
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GREECE AND POST-FRANCO SPAIN INTO CLOSER ASSOCIATION WITH THE EC-9. HE HAS EXPLOITED HIS CLOSE PERSONAL RELATIONSHIPS WITH KARAMANLIS AND JUAN CARLOS TO PREACH MODERATION AND DEMOCRATIZATION IN GREECE AND SPAIN. THE GOF IS COGNIZANT OF US DEFENSE AND NATO INTERESTS IN THE AREA AS EVIDENCED BY THE GRADUALLY IMPROVING RELATIONSHIP BETWEEN THE FRENCH FLEET AND US NAVAL COMMANDS. IN THIS CONNECTION, WE BELIEVE THAT IF SPAIN CONTINUES TO EVOLVE TOWARD DEMOCRACY, FRANCE WOULD SUPPORT A CLOSER RELATIONSHIP BETWEEN SPAIN AND NATO TO STRENGTHEN EUROPE'S SOUTHERN FLANK. THIS ASSERTION OF EUROPEAN RESPONSIBILITY FOR A DANGEROUSLY UNSTABLE AREA ON ITS SOUTHERN FLANK IS A POSITIVE FACTOR IN THE ADVANCEMENT OF US INTERESTS IN THE REGION, AND SHOULD BE ENCOURAGED THROUGH MORE INTENSE CONSULTATIONS AND EXCHANGE OF INFORMATION. WHILE IT WOULD APPEAR TO BE IN OUR INTEREST TO ENCOURAGE FRANCE TO DRAW THE SOUTHERN TIER MORE CLOSELY INTO A EUROPEAN FRAMEWORK, WE WILL WANT TO MONITOR THIS PROCESS CLOSELY TO BE SURE THAT BROADER US POLITICAL AND ECONOMIC INTERESTS ARE NOT UNDERMINED.

21. MIDDLE EAST--FRENCH SUPPORT FOR SINAI II, STRONG FRENCH LOBBYING AGAINST THE ZIONISM-RACISM RESOLUTION, AND FRENCH ACTIVISM IN LEBANON HAVE ALL BEEN HELPFUL TO US INTERESTS IN THE AREA. THROUGH A CONTINUATION OF EXTENSIVE AND FRANK EXCHANGES ON THIS QUESTION IN 1976, WE ARE OPTIMISTIC ABOUT FRENCH UNDERSTANDING AND POSSIBLE COOPERATION ON SUCH ONGOING PROBLEMS AS THE LEBANESE CRISIS, THE EURO-ARAB DIALOGUE, UN MIDEAST DISCUSSIONS AND AN ENLARGED GENEVA MEPC.

22. AFRICA--THE NUMBER OF PROBLEMS REQUIRING US-FRENCH COOPERATION WILL PROBABLY INCREASE IN 1976. IN ADDITION TO THE CONTINUING PROBLEMS OF ANGOLA, NAMIBIA AND THE SAHEL, ALL OF WHICH DEMONSTRATED THE USEFULNESS OF A US-FRENCH LINK LAST YEAR, WE CAN EXPECT INCREASED INSTABILITY IN THE STRATEGICALLY IMPORTANT HORN AS THE TFAI MOVES TOWARD INDEPENDENCE. BECAUSE OF THE KEY FRENCH ROLE IN TFAI, WE WILL WANT TO INTENSIFY OUR COORDINATION WITH THE FRENCH ON THIS SPECIFIC ISSUE WHILE CONTINUING

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TO CONSULT ON ALL OTHERS IN PARIS, WASHINGTON AND NEW YORK. GROWING TENSIONS IN THE MAGHREB MAY RECOMMEND MUCH CLOSER CONSULTATION ON THAT IMPORTANT AREA.  
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23. ASIA--ALTHOUGH ASIA IS NOT ONE OF FRANCE'S CENTRAL CONCERNS, TWO SIGNIFICANT CHANGES TAKING PLACE IN FRENCH POLICY ARE OF INTEREST TO THE U.S. ONE IS THE GRADUAL INCREASE IN GOF INTEREST IN JAPAN BECAUSE OF ITS GLOBAL ECONOMIC ROLE, AND THE OTHER IS FRENCH ADAPTATION TO THE COMMUNIST CONQUESTS IN INDOCHINA. THE GOF'S CURRENT APPROACH TO JAPAN IS HELPFUL BECAUSE IT IS NOT DESIGNED TO EXCLUDE THE US, AS DID JOBERT'S EARLIER POSITION ON THE US PROPOSAL FOR A TRI-REGIONAL DECLARATION. FRANCE'S ROLE SHOULD THEREFORE BE HELPFUL AND SUPPORTIVE OF THE US DESIRE TO HAVE JAPAN INVOLVED IN WORLD AFFAIRS. IN INDOCHINA, FRANCE HAS PUSHED AHEAD TO HAVE CLOSER RELATIONS WITH A UNITED VIETNAM NOT ONLY BECAUSE OF FRENCH HOLDINGS IN SVN, BUT ALSO BECAUSE FRANCE EXPECTS VIETNAM TO PLAY A MAJOR REGIONAL ROLE IN ALL OF SOUTHEAST ASIA. DESPITE FRENCH INTENTIONS, FRANCE'S ROLE WILL PROBABLY BE MODEST SINCE THERE ARE GROUNDS FOR DISPUTES, INCLUDING OVER FRENCH AID TO THE SOUTH. NEVERTHELESS, FRANCE'S RELATIONS WILL PROBABLY BE SUFFICIENTLY GOOD TO WARRANT HAVING IT REPRESENT US INTERESTS, AND TO ENABLE THE GOF TO BE AN IMPORTANT SOURCE OF OUR INFORMATION AND EVALUATIONS ABOUT THE AREA. IN THIS CONTEXT, WE WILL WANT TO KEEP US VIEWS OF HANOI'S INTENTIONS BEFORE FRENCH POLICY MAKERS.

#### 24. CULTURAL AND INFORMATION PROGRAMS

##### A. THE CULTURAL AND INFORMATION ACTIVITIES CON-



TINUE IN AN ATMOSPHERE OF COOPERATION WITH FRENCH OFFICIALS RANGING FROM SECRETARIES OF STATE FOR CULTURE AND EDUCATION TO INDIVIDUAL TV AND RADIO PRODUCERS. THE FRENCH ARE DOING MAJOR PROGRAMMING FOR OUR BICENTENNIAL, BUT OUR COOPERATIVE PROJECTS GO FAR BEYOND THIS. IN RADIO AND TV WE HAVE MAJOR INPUTS IN PROGRAMS OF MUTUAL INTEREST TO THE TWO COUNTRIES. SOME OF THESE HAVE BEEN DELICATE, SUCH AS THE ROSENBERG TRIAL AND VIETNAM. PRESUMABLY THIS COOPERATION WILL CONTINUE THROUGHOUT THE COMING YEAR, EVEN ON SUCH MATTERS AS CONCORDE, HOWEVER DIFFICULT THAT PROBLEM MAY TURN OUT TO BE.

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B. ON THE CULTURAL SIDE, TALKS WERE HELD BETWEEN STATE DEPARTMENT OFFICIALS AND THE MINISTRIES OF FOREIGN AFFAIRS, CULTURE, AND EDUCATION TO DEVELOP PROGRAMMING IN THE COMING YEARS. THESE TALKS WILL BE CONTINUED IN WASHINGTON THIS YEAR WHEN MR. LALOY, THE DIRECTOR-GENERAL OF CULTURAL RELATIONS, WILL GO TO THE UNITED STATES. IN ADDITION, THE EDUCATION MINISTRY IS TALKING IN TERMS OF SENDING OFFICIALS AND DIRECTORS TO STUDY OUR SECONDARY SCHOOL SYSTEM. THIS, TO PUT IT MILDLY, IS UNHEARD OF IN THE HISTORY OF FRANCO-AMERICAN RELATIONS. IN OTHER WORDS, THE SITUATION TODAY IS WIDE OPEN. WE CAN DEVELOP LASTING EXCHANGES IN THE FIELDS OF CULTURE AND INFORMATION IN FRANCE IF WE HAVE THE RESOURCES TO SEIZE THE OPPORTUNITIES.

25. SOCIAL POLICY--THE FIELD OF SOCIAL POLICY OFFERS SUBSTANTIAL OPPORTUNITIES FOR CLOSE US-FRENCH COOPERATION. RECURRENT EDUCATION, IN WHICH THE FRENCH HAVE DONE PIONEERING WORK, UNEMPLOYMENT INSURANCE, WORKER PARTICIPATION IN PROFIT SHARING, SOCIAL SECURITY AND HEALTH AND SAFETY ON JOB SITES ARE SOME OF THE AREAS IN WHICH EXCHANGE OF INFORMATION WILL BE USEFUL POLITICALLY BY DEMONSTRATING THE COMMON INTERESTS AND PREOCCUPATIONS OF WESTERN INDUSTRIAL SOCIETY.

#### PART V - RECOMMENDATIONS FOR WASHINGTON

27. IN THE PREVIOUS FOUR PARTS, WE IDENTIFIED THE SCOPE AND IMPORTANCE OF U.S. INTERESTS IN FRANCE, DEFINED OUR MAJOR OBJECTIVES, AND SUGGESTED HOW WE CAN ADVANCE OUR INTERESTS IN LIGHT OF UPCOMING TRENDS AND PROBLEMS THAT WILL CHALLENGE US IN THE MONTHS AHEAD. IN THIS SECTION, THE EMBASSY SEEKS TO FOCUS THE DEPARTMENT'S ATTENTION ON FIVE SUBJECTS WHICH REQUIRE HIGH POLICY PRIORITIES IN WASHINGTON. IN EFFECT, THIS IS WHERE THE MAIN LINES OF THE PRESENTATIONS IN PARTS ONE THROUGH FOUR COME TOGETHER.

28. FOCUS ON ECONOMIC RELATIONS--IT IS CLEAR THAT BOTH  
THE U.S. AND FRANCE DEFINE THEIR RESPECTIVE NATIONAL  
INTERESTS INCREASINGLY IN ECONOMIC TERMS. THIS PHENOME-  
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AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

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AMEMBASSY ROME

AMEMBASSY THE HAGUE

AMEMBASSY VIENNA

USMISSION NATO

USMISSION EC BRUSSELS

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USDEL SALT TWO GENEVA  
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NON IS EVEN MORE EVIDENT WHEN WE EXAMINE HOW US AND  
FRENCH INTERESTS INTERFACE. THE CONCORDE PROBLEM, THE  
CIEC, MONETARY AFFAIRS, AND THE MTN ALL HAVE DEEP POLI-  
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TICAL ROOTS IN FRANCE. IT WOULD BE PERILOUS TO OUR  
INTERESTS, TO SAY THE LEAST, FOR US TO IGNORE THE POLI-  
TICAL RAMIFICATIONS OF THESE SUBJECTS IN OUR DAY-TO-DAY  
TREATMENT OF ECONOMIC RELATIONSHIPS.

29. FOCUS ON FRENCH LEADERSHIP--FOR HISTORICAL AND  
NATIONAL POLITICAL REASONS, THE FRENCH GOVERNMENT FEELS

THE NEED TO STAND UP AND BE COUNTED AS A WORLD PRESENCE  
TO A FAR GREATER DEGREE THAN IS WARRANTED BY ITS NATIONAL  
POWER STATUS. THERE IS A DYNAMIC ENERGY GENERATED BY  
THIS NEED WHICH CAN BE USEFULLY WIRED INTO OUR FOREIGN  
POLICY MACHINERY ON A SELECTIVE BASIS WITHOUT UNDERMINING  
OUR OWN SELF-EVIDENT LEADERSHIP STATUS. THE RAMBOUILLET  
SUMMIT, THE NORTH-SOUTH DIALOGUE, AND RECENT EVENTS IN  
LEBANON AND ANGOLA PROVIDED CLEAR EVIDENCE OF THIS. WE  
SHOULD BE ON THE ALERT TO OTHER FOREIGN POLICY AREAS IN  
WHICH WE CAN ENCOURAGE FRANCE TO BE SUPPORTIVE OF OUR  
INTERESTS BY PLAYING A LEADING ROLE, AS THE UK AND THE  
FRG HAVE BEEN DOING FOR SOME TIME. THIS FRENCH WILLING-  
NESS IS NEW AND SHOULD BE USED. THEIR CAPABILITY WOULD  
APPEAR TO BE MOST RELEVANT TO THE LDC'S WHERE, FOR THE  
MOST PART, FRANCE'S CREDENTIALS REMAIN HIGHLY ACCEPTABLE.

30. FOCUS ON EUROPE--GISCARD WANTS TO MOVE FORWARD ON  
EUROPEAN INTEGRATION, AND THE UNITED STATES IS ON RECORD  
AS SUPPORTING THIS DEVELOPMENT. YET, AMERICA'S BEST  
FRIENDS IN FRANCE, WHO ARE ALSO THE MOST EUROPEAN-MINDED,  
SAY THEY ARE NOT CONVINCED OF OUR SINCERITY. THEIR  
ARGUMENTS DEFY HISTORICAL TRUTHS, AND ARE SOMETIMES  
SYMPTOMATIC OF A NEED FOR SCAPEGOATS, BUT NEVERTHELESS  
CONSTITUTE A PSYCHOLOGICAL HANDICAP FOR U.S. INTERESTS  
ACROSS THE BOARD. WE CAN CITE NUMEROUS STATEMENTS BY  
PRESIDENT FORD AND SECRETARY KISSINGER SUPPORTING THE  
CONCEPT OF A UNITED EUROPE, BUT THERE HAVE BEEN NONE  
RECENTLY ARTICULATED IN A SPECIFICALLY FRENCH SETTING.

THIS IS A VACUUM THAT SHOULD BE FILLED AT THE EARLIEST APPROPRIATE OCCASION. THE EMBASSY RECOMMENDS, THEREFORE, THAT PRESIDENT FORD UTILIZE THE OPPORTUNITIES PRESENTED

BY THE PUBLIC STATEMENTS HE WILL MAKE DURING GISCARD'S  
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STATE VISIT NEXT MAY TO ASSOCIATE THE U.S. UNAMBIGUOUSLY WITH FRENCH ASPIRATIONS FOR A UNITED EUROPE. CONGRESSIONAL LEADERS SHOULD BE URGED TO DO THE SAME IN CONNECTION WITH GISCARD'S PLANNED ADDRESS TO A JOINT SESSION.

31. FOCUS ON THE MEDITERRANEAN--INSTABILITY AND EMBRYONIC DISINTEGRATION ON NATO'S SOUTHERN FLANK ARE REAL AND DANGEROUS PROBLEMS. BOTH DESPITE AND BECAUSE OF ITS OWN INTERNAL POLITICAL FRAGILITY THAT IS SYMPTOMATIC OF THE OVERALL MEDITERRANEAN PROBLEM, FRANCE CANNOT AFFORD TO REMAIN IDLE. ITS OWN SECURITY AND POLITICAL FUTURE ARE AT STAKE, AND UNLIKE IN EARLIER DAYS, THE US IS HANDICAPPED IN TOO MANY WAYS BOTH AT HOME AND IN THE REGION TO CARRY THE BURDEN WITHOUT SUPPORTIVE FORCES. FRANCE, AS A REGIONAL POLITICAL, ECONOMIC AND MILITARY POWER, HAS AN INDISPENSABLE CONTRIBUTION TO MAKE. WE SHOULD ENCOURAGE THIS TREND AND SUPPORT FRENCH EFFORTS TO SUBLIMATE MEDITERRANEAN INSTABILITY IN CLOSER ASSOCIATION OF THE TROUBLED STATES WITH THE MORE STABLE AND BALANCED EC-9.

32. FOCUS ON FRENCH INTERNAL DEVELOPMENTS--THE PHENOMENON OF THE LATIN SOCIALIST PARTIES, AS DISTINCT FROM SOCIAL DEMOCRATIC PARTIES IN NORTHERN EUROPE, AND THEIR TENDENCY TO COALESCE WITH COMMUNIST PARTIES IS A PROFOUNDLY TROUBLING ASPECT OF OUR SITUATION IN FRANCE. WE HAVE ALREADY MOVED TO BROADEN EMBASSY CONTACTS WITH SOCIALISTS AND COMMUNISTS SO THAT WE CAN BETTER UNDERSTAND THIS DEVELOPMENT. SECONDLY, THE HIGHEST LEVELS OF THE U.S. GOVERNMENT HAVE ALREADY MADE IT CLEAR THAT EVENTUAL COMMUNIST PARTICIPATION IN NATO GOVERNMENTS CANNOT FAIL TO ALTER THE BASIC STRUCTURE OF ATLANTIC MILITARY SOLIDARITY. THIS WARNING SHOULD BE CONTINUOUSLY ARTICULATED AT ALL LEVELS. BUT ARE THESE MEASURES SUFFICIENT? THE EMBASSY FEELS THEY CONSTITUTE ONLY A BEGINNING, AND RECOMMENDS THE FOLLOWING BE CONSIDERED.

A. PSYCHOLOGICAL--UNDER STATE AND USIS LEADERSHIP, WE SHOULD VIGOROUSLY JOIN THE PSYCHOLOGICAL BATTLE IN EUROPE OVER THE SO-CALLED "CRISIS OF CAPITALISM." THE  
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RAMBOUILLET SUMMIT AND THE CIEC DEMONSTRATED THAT THE WEST CAN REACT TO SEVERE ECONOMIC DISLOCATION BY MAKING THE NECESSARY HISTORIC ADJUSTMENTS IN AN OPEN AND DEMO-SECRET

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CRATIC MANNER. BY CONTRAST, THE CLOSED COMMUNIST WORLD IS FACING ITS OWN "CRISIS OF MARXISM" IN AN ATMOSPHERE OF CENSORSHIP AND CONTINUED POLITICAL REPRESSION.

B. HELP GISCARD--THE NEXT THRESHOLD IN THE FRENCH POLITICAL STRUGGLE WILL BE THE 1978 LEGISLATIVE ELECTIONS. THIS WILL BE THE FIRST REAL TEST OF GISCARD'S ABILITY TO PERSUADE FRENCH VOTERS THAT FRANCE CAN HAVE SOCIAL REFORM WITHOUT SOCIALISM. THE RACE IS LIKELY TO BE CLOSE. TO THE EXTENT WE COORDINATE AND COOPERATE WITH GISCARD EXTERNALLY, WE HELP HIM INTERNALLY. PREVIOUS RECOMMENDATIONS IN THIS SECTION ARE RELEVANT TO THIS OBJECTIVE. CURRENT POLLS SUGGEST THAT THE LEFT HAS A SLIGHTLY BETTER THAN EVEN CHANCE OF WINNING THE 1978 LEGISLATIVE ELECTIONS, AND SINCE WE MUST BE ABLE TO RELATE QUICKLY AND EFFECTIVELY TO ANY NEW MAJORITY, WE SHOULD SCRUPULOUSLY AVOID ANY ACTION WHICH COULD BE INTERPRETED AS INTERFERENCE IN INTERNAL FRENCH AFFAIRS.

C. RELATE BETTER TO FRENCH SOCIALISTS--THE SECRETARY HAS SAID THAT THE US IS NOT OPPOSED TO AND CAN WORK WITH DEMOCRATIC SOCIALIST PARTIES, CITING WEST GERMANY, ENGLAND AND SCANDINAVIA AS GOOD EXAMPLES. THE MORE WE CITE NORTHERN EUROPEAN EXAMPLES, THE MORE WE MAKE LATIN SOCIALISTS LOOK SUSPECT. WHILE WE OPPOSE ENTRY OF COMMUNISTS INTO A WESTERN GOVERNMENT, WE CANNOT AFFORD TO AVOID INCREASING OUR CONTACTS WITH THE PS. THE KISSINGER-MITERRAND CONVERSATION WAS A USEFUL BEGINNING, BUT THE DIALOGUE HAS HARDLY BEEN OPENED. WE HAVE TO MAKE AN INCREASING EFFORT TO SHOW THAT WE CAN RELATE TO THE FRENCH SOCIALISTS IN ORDER TO DEMONSTRATE THAT WE ATTRIBUTE POLITICAL VALIDITY TO THEIR ECONOMIC AND SOCIAL CONCEPTS EVEN IF WE DISAGREE WITH THEM AND CONDEMN THEIR CHOICE OF PARTNERS. OTHERWISE, WE WILL BE HELPING TO ERODE THE FUNDAMENTAL AND REAL PSF WILL TO DOMINATE THE PCF AND LIMIT ITS INFLUENCE.

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